

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:4574
ANSWERED ON:19.12.2000
OVERCHARGING BY CIPLA
PUNNULAL MOHALE

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a): whether the amount of Rs.2000 crore overcharged by the Cipla has been recovered;
- (b): if not, the action taken/proposed to be taken by the Government in this regard;
- (c): whether it is a fact that the Cadila Pharma has to pay Rs. 6 crores to NPPA for overcharging; and
- (d): if so, the details in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE)

(a) and (b): National Pharmaceutical Pricing Authority (NPPA) has issued notices to M/s. Cipla Ltd. In August, 2000 and September, 2000 directing the company to deposit the estimated amount of Rs.207.23 crores, overcharged for formulations based on bulk drugs Salbutamol, Norfloxacin, Ciprofloxacin, Cloxacillin Cefadroxy and Trimethoprim +Sulphamethoxazol. M/s. Cipla has replied to the NPPA notices. However, the inclusion of bulk drugs Salbutamol, Norfloxacin, Ciprofloxacin and Cloxacillin in the First Schedule of Drugs (Prices Control) Order, 1995 has been challenged in the Bombay High Court by Cipla Ltd. and another by filing Writ Petitions. The Respondents in the said proceedings including the Union of India have been restrained from taking any coercive action against the Petitioners.

(c) and (d): NPPA has issued notices to M/s. Cadila Pharmaceuticals Ltd. in August, 2000 and September, 2000 directing the company to deposit the estimated amount of Rs.5.69 crores overcharged in the sales of formulations based on bulk drugs Cloxacillin, Ciprofloxacin and Norfloxacin. M/s. Cadila has replied to the notices of NPPA.